

JAN 24 1958

enc
Mr. Herbert L. Block
Washington Post and Times Herald
1515 L Street, N. W.

Dear Mr. Block:

Thank you for your regards and the
copy of your cartoon, "You Were Saying --?" I
will add it to my small but prized collection.

Sincerely,

Allen W. Dulles
Director

ODCI/SJGrogan/ 13 Jan 58
retyped: AWD:ekt 23 Jan 58
orig - Addressee

1 - ER
1 - DCI via reading
1 - DDCI
2 - Col. Grogan

10-138

13 January 1958

Mr. Herbert L. Block
WASHINGTON POST & TIMES HERALD
1515 L Street, N. W.
Washington, D. C.

Dear Herb,

Thank you for your regards and the copy of your cartoon, "You were saying --?" I will add it to my small but prized collection.

Kind wishes for a happy and successful new year.

Sincerely,

Not signed

Allen W. Dulles
Director

ODCI/SJGrogan/(13 January 1958)/ppp

Distribution

Orig - Add

1 - DCI Reading

→ 1 - ER

1 - DDCI

2 - Col. Grogan

all copy returned to Col. Grogan w/ note

"The Director thought that in view of

certain considerations, which I will tell

you about when I next see you, he did

not send the attached letter. JBE 16 Jan 58"

S. 271,019

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Date: 8



Your Dollar

bought 100 cents of goods in 1939 is now worth under place. It has lost more than two decades.

is that a year from today with about 48 cents or maybe the value will shrink again in this

should be minor. You will you shop in lots of stores—next couple of months. You members on your family budget the sales, by following the

is flattening. While 1958's price hikes will be spotty and lots of which you can take

in short, is stabilizing at are into the sixth perceptible purchasing power since World

* *
dollar since the decade of the ing and, of course, of deep-meaning to us. Let's trace

egan in 1939, covered the World War II in 1945. Accord-apt. of Labor index, at the e dollar could buy 100 cents thing, medical care, trans-

phase, the dollar was worth ents. Even wartime ceilings .locations, all the pressures prevent a great climb in surged upward, the dollar

rols were lifted, black mar- market prices—and the lid

Korean war hit us, set off a new wave of price increases, a new hoarding scare.

The third cycle began with the Korean war and by 1953, when President Eisenhower came to office, the dollar's value had been slashed to under 52 cents—another perpendicular drop of almost six cents in a few years.

In 1952-53 we moved into the fourth phase—a period of truly remarkable stabilization in the overall price level and the dollar's value.

Although the cost of housing, rent, all services continued to rise in those years, the cost of such big items in our budgets as food, clothing and transportation went down enough to maintain the official index of living costs in what was virtually a straight line.

At the end of 1955, the dollar's buying power stood at precisely the same point as in 1953—just under 52 cents.

The reprieve didn't last long, though. In 1956 we went into the fifth cycle—another upward spiral. Month after month, prices of housing, rents, transportation, medical care, personal care, reading and recreation, other services have been climbing. And food has not been the giant offset it was in the previous cycle. Because of built-in costs of food—labor costs, processing, transportation, marketing—food prices have been advancing, contributing heavily to the erosion in the dollar in this cycle.

As of today, the dollar is worth less than 49 cents.

But now, hopefully, we enter a sixth cycle—one of flattening in living costs and stability in the dollar's value.

Lots of essential items, ranging from hospitalization costs to house utilities, will continue going up. But the pace of rise in living costs has slowed and the downturn in the economy is working against any price increases in a long list of things we need and want.

* * *
Can we look for a stronger dollar? That



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